REVISITING 'THE CITY AS A GROWTH MACHINE'

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INTRODUCTION

If a list of the most influential of all contributions to urban studies were to be compiled, Harvey Molotch's (1976) 'City as a Growth Machine', would surely be very close to, if not at, the top. It laid out a program of research that has continued to unfold over the years: work that would in all likelihood not have been written without its stimulus; and some that was a clear and positive response to his work.[1] His work remains still the standard citation for anyone talking about growth coalitions. It is now forty years since it was written and it remains highly influential. Now seems an appropriate time to celebrate it and to explore ways in which the questions he raised then, can now be deepened and the leverage that his vision afforded given even greater weight.

Molotch's central point was the role of landowners and what he called 'land related interests', which included realtors, lawyers and the metropolitan newspaper, in promoting, through local government, the growth of the city. The idea had its antecedents. In a paper in 1964, the political scientist Robert Salisbury had referred to a 'new convergence of power' in urban politics bringing together 'locally-oriented economic interests and the professional workers in technical city-related programs.' Among the former he listed 'large real estate firms', but also others that Molotch would recognize as 'land-related interests' like major banks, utilities, department stores and local newspapers. This insight would then be taken up by John Mollenkopf in 1976 in his discussion of the role of growth coalitions in postwar development politics. The strong interest of landowners in local government had also been noted by Mason Gaffney (1973.)[2]

Molotch's genius, though, was to elaborate on this insight, to give it a central position in understanding urban politics, including its geography, and the role of the growth coalition in the development of urban imaginaries. He recognized the way scale played into this politics of land; how landowners in a city might make common cause but then fight over exactly where the inward investments or government facilities should be located so as to enhance the rent of their particular properties. He underlined the role of ideology in the subsequent politics: how, that is, the growth coalition fostered and benefited from a discourse that promoted the growth of the city and a subsequent national visibility as something that would work to the advantage of all, if only at the level of identity. He recognized the way in which the urban growth coalition accomplished its ends; how it mobilized local government on its behalf, worked to develop the local business climate so as to attract investment and, in the interest of rent, pushed the social costs of its activities onto a wider public. His paper helped

[1] See Jonas and Wilson, eds. (1999) for an example.

[2] "... the LG (local government) ... is a group of landowners in league to preside over the collective capital that they use jointly. The LG is a halfway house between the individual landowners and the state. Landowner control is modified by democracy, which gives the whole system some of its characteristic tensions and compromises. But landowners, as the permanent party of every LG, take a strong and steady interest in local government out of all proportion to their numbers. It is reasonably accurate for many purposes to think of the LG as a collective landowner, maximizing land income" (Gaffney 1973: 117).

change the way urban politics was imagined by pointing a route out of the stale debates about pluralism and community power and the politicism that had dominated hitherto.

This is obviously an ongoing story and it is one that has raised questions. For example: Attempts by others to transfer his understanding of urban politics across the Atlantic to cities in Western Europe have not been a resounding success, which raises the question of just why that might be. This is obviously not to criticize the concept; merely to point out that it might be contextually-specific in its applicability; and that, furthermore, an understanding of just why it hasn't worked in Western European countries might help deepen our understanding of why it has been so effective in shedding light on urban politics in the US.

The work has had its criticisms but these have been what might be called 'internal' ones: ones that accept the basic assumptions that Molotch made about the world in which his land owners, land related interests and their growth coalitions operated. Markets are certainly to the fore but I think it fair to say that capitalism is not, and to talk about markets is not necessarily to talk about capitalism and its structurally embedded impulse to accumulation with all that that signifies, including change in the built form of cities. Molotch is making claims about land owners – a rather ahistoric idea appropriate to the sort of world inhabited by mainstream economics – and not about property capitals and the particular logics that impel them to form, among other things, growth coalitions. Likewise the role that they perform in capital's division of labor alongside industrial, commercial and finance capital could be usefully explored.

What follows, therefore, is an – admittedly selective – examination of some themes which might deepen our understanding that the politics of land plays in urban economies. There are three major sections. In the first of these, I elaborate on the significance of property capitals and their pursuit of rent in urban politics: the historical emergence of property capitals, their goals and strategies and their role in capitalism as a whole. This will lead logically into an attempt to displace market relations from the center of attention in favor of the accumulation process and the difference that makes to our understanding of the significance of property companies and developers and the constraints and opportunities that they face. Finally, and certainly not as the tag-on that it might at first appear, I address the US-centricity of Harvey Molotch's thesis of the city as a growth machine.

PROPERTY CAPITALS

Molotch argued that it was land owners and land related interests and their pursuit of rent that was the key to understanding urban politics. This can be usefully refined. It is, rather, not so much simply land owners, but property capitals: property companies, developers, land companies who are at the heart of urban politics in the US and which stamp on it its distinctive purpose as the pursuit of rent. Their character varies. There are companies that do little more than assembling land in what are anticipated to be strategic locations; there are developers who then buy that land, subdivide it, insert the highways and utilities and then sell it on or rent it out to companies specializing in shopping centers, housing, industrial parks or whatever; and then there are those who rent out developed property to others or manage it. These functions can be separate or they can be brought together. A shopping center developer can purchase, assemble the land, hire architects and civil engineers, sub-contract construction, rent out space to retail chains and manage the property itself. Or it can rent the land from the company that originally assembled it, continuing to pay a ground rent. In turn the retailers in the center can rent their premises from the shopping center company; or, if it is regarded as an anchor store with significance for the revenue flow of the center as a whole, the shopping center developer may exempt it from paying any rent at all. The same company may act as a vertically integrated concern in one development, from land assembly and purchase through to renting out the space developed; or participate in a more partial manner in conjunction with others. What unites all these different agents is the pursuit of land rent. Land companies buy with a view to appreciation before they sell on. A developer who purchases the land looks to gaining additional rent through the artful arrangement of land uses on the property, by

securing favors from local government like improved highway access or re-zonings, and by the sheer innovativeness of what is planned.

It is easy to overlook how recent this has been. Prior to the Second World War property capitals were beginning to emerge. There were forerunners of what was to come in the shape of industrial parks, shopping centers and long stay housing projects with a strong planned element, including parks and shopping districts. But they were the exception rather than the rule.[3] By and large retail merchants, manufacturing companies, banks and the like owned their own premises. When new ones were needed a site would be located, the builder hired and the new building delivered. When housing wasn't self-build – and there was a lot of that – then again, custom building tended to prevail. In the provision of premises, only after the Second World War would the highly competitive, innovative, speculatively oriented development industry become the norm. In other words, industrial, commercial and finance capital have tended to offload their space needs to a highly specialized branch of capital as a whole.

There is a logic to this. It is not just that renting speeds up the rotation of capital and therefore the ability to expand and enlarge revenue streams. Through a specialized expertise in the rational arrangement of things, in securing government favors with respect to supporting infrastructure, and through the pressure they bring to bear on land owners to transform the use of their land, property capitals make their own contribution to the extraction of surplus value; not least in reducing the labor time dedicated to movement. The emergence of property capital has had its more specific historical preconditions. Industrial estates are impossible to imagine in a world of industrial facilities that require highly specialized equipment that is built into the premises and for which the market is extremely thin; the modular unit into which the machinery can be moved in and out fairly inexpensively would make the essential difference. The modern shopping center has depended on the ability to assemble large areas of undeveloped land, which means a preference for more peripheral sites; something possible only with the revolution in personal mobility brought about by the automobile. Likewise, the car made a huge difference to metropolitan housing markets, making possible the large, speculatively built, housing estate, as in the case of Levittown. Finally, shopping centers, office and industrial parks and large apartment buildings get sold on and insurance companies and pension funds with their needs for regular, stable incomes have been to the forefront; so the expansion of insurance companies and particularly, after the war, the pension funds has been important. Property companies retain some of their developments but the onward sale allows a rate of expansion that would otherwise be elusive; and they want and need to expand.

Property companies are rooted in particular markets. The prominent developers in Denver will carry different names from those in Pittsburgh or Kansas City. Property development, as the saying goes, is 'very hands on' with the result that developers tend to stay in the same local real estate market and, furthermore, have trouble putting down roots elsewhere. Developers need to know and they need to be known. All property markets, including those for new housing, are different: highly particular and geographically distinct. Familiarity is something that comes only with time. This is a matter of trends, both geographic and otherwise: the emerging areas and the fading ones. There are contacts to be nurtured and then exploited: local planners and planning commissions so that you have some insight into what they are thinking and what their criteria are for acceptable development; and knowing who the local fixers are – the zoning attorneys in particular

[3] With respect to office development, compare Ambrose and Colenutt writing in 1974 about Great Britain: "Before the Second World War there were very few large property companies. Instead, redevelopment was undertaken by individual entrepreneurs, or by firms developing buildings for their own occupation. There were few speculative office blocks and the tendency was for firms to own freeholds to their premises rather than rent. Certainly there was no public awareness of 'developers' as such. Few property companies were quoted on the Stock Exchange, there was virtually no property press dealing with commercial development, and there was no coherent organization lobbying for the developers." (Ambrose and Colenutt 1974: 37.)

but anyone else who has the ear of city council. Likewise you have to be known. A developer can subdivide and draw up subdivision regulations, but then, particularly in more expensive developments, the individual builders who are the market for the lots, have to buy into that scheme of things; that means some conviction that a housing developer knows the market, develops in the 'right' place at the right level and whose developments will indeed sell. Builders follow particular developers. For larger projects, developers look for partners with whom they can spread the risk, so you need to be someone they can trust. And there again, development needs money and the banks need to know who they are lending to. Track records have to be built up. This takes time and mistakes are costly.[4] Questions of fixity and relative immobility are important in discussing growth politics in cities because there is a danger in talking about land owners and their development logics to think purely in terms of the immobility of the land itself. This is not to deny its significance, even though the risks can be countered by buying up land in a diversity of locations. But the local embeddedness of developers is clearly more complicated than that.[5]

So too is the coalitional form that Molotch emphasized. Developers and property companies are certainly interested in promoting population growth. They will support the initiatives of local government or the chamber designed to beef up inward investment and so employment and the demand for all manner of real estate. In this they may be joined by others including the gas and electric utilities who are heavily dependent on sales to geographically limited service areas, the newspaper companies, as well as those who stand to benefit from the activities of the developers, like the construction companies.

But population growth is not their ultimate goal. Rather it is rent and there are many ways of achieving that. Not least, the developers cannibalize their rivals. Through the creation of ever newer sorts of office building, or hotels with new sorts of facility and 'designs for living' in the housing market they try to steal a march on each other as well as those who purchased earlier generations of the same thing: a recipe for the scorched earth city of obsolete shopping centers and redlined housing, at the end of which is 'Detroit.'

This may mean forming more local sorts of coalition: a coming-together with other land owners in order to achieve the contiguous, compact block of (unincorporated) land that can then be annexed and provided with the necessary water, sewer and fire services; or alternatively a coalition which can lobby for a new interchange on the freeway so as to enhance the accessibility advantages of member properties. Molotch referred to this sort of thing when he discussed the scalar features of the growth coalition: how attracting new development into the city was something on which all the land owners and land related interests could agree but there would then be a fight at more local levels as to where the development should go. But the coalition form is by no means a necessity. And when it comes about, it is not easily slotted into what Molotch had in mind.

[4] Compare Charney (2001: 755) in a discussion of property capitals: "Accumulating knowledge in a specific market, nurturing networks with local governments and businesses, and reaching a critical threshold of the market size, which enables the company to be a significant player in that specific market, are crucial considerations for real estate companies. These are major reasons for employing a strategy of spatial concentration and the spatial shifting of capital." In large urban areas this also results in a concentration in particular sub-areas. As Beauregard (2005: 2433) has argued: "Developers in large cities operate only in particular industrial districts or neighborhoods – not all. By doing so, they 'learn' the market and develop relations with government officials, bankers, real estate brokers, contractors, architects, appraisers, bank loan officers and others with whom they will have to work from one project to the next. Efficiency is increased through place-specific knowledge and uncertainty reduced." See Wood (2004) for further detail and corroboration.

[5] There are though advantages to a developer from affiliating in some way with an organization that is national in scope. If a developer can be, in effect, its local agent, paying a fee for that privilege, then the organization provides access to corporate customers who have rented or purchased property from its 'agents' or branches elsewhere.

Individual developers create their own constellations of forces with a view to bringing their own projects to fruition regardless, in fact in competition with, developers elsewhere. Alliance with a residents' group fighting a regional shopping center in the same general area, pumping money into their referendum campaign, can buy time until their own plans are ready. Money invested in a state governor's re-election campaign can mean favors later on: financial help in building an interchange to serve exactly your development, while jumping the informal queue for infrastructural projects that was the accepted practice in the area (Easton). And it helps, of course, that the way the American state is structured and operates makes exactly these sorts of maneuver possible.

There are broader coalitions, not unlike what Molotch imagined: more symmetric in their structure, and more enduring, but also more specialized in what they are trying to accomplish. Building Industry Associations are common features of American metropolitan areas: coalitions of builders, contractors, concrete companies, building supply firms and developers that monitor legislative programs, local, state and federal, and lobby for their members on issues of intense interest to them like impact fees, annexation law and sub-division regulations; a concern, in other words, for the regulatory climate that can constrain or, hopefully, help promote growth. The day to day business of mediating inward investment is for other organizations. Something described elsewhere as the economic development network, specializes in attracting in particular industrial investments. Consisting of the gas and electric companies, local chambers of commerce and local government and often embracing not just a metropolitan area but large numbers of surrounding small towns, they have a clear structure and division of responsibilities. At the center, playing the coordinating role are the utilities with their information banks on industrial sites; local chambers are a source of information on labor markets for firms prospecting for sites; while local governments are supposed to clinch the deal by providing the financial and regulatory incentives. They are limited, though, to industrial investments. Much more important in channeling inquiries for office space, distribution centers and hotels are the chambers of commerce; which is why the developers are such supportive members. Inquiries come in, the request is circulated and proposals submitted.

The interest in land development and rents is not exclusive to the developers and property companies. The land needs of other firms and organizations change and the opportunities offered by the advancing development frontier can be more than simply attractive; rather a windfall. Farmers are the obvious case, selling options on their land to developers and then trying to speed up the local development process, lobbying local government for the necessary decisions, so as to turn them into firm contracts. Colleges and universities enter into a division of labor with developers: the college provides the land 'surplus to its needs' while the developer provides the expertise and they split the rents. Urban universities even buy up surrounding property to promote a commercial development that will anchor what they hope will be a gentrifying neighborhood, moving out those who are seen as scaring off the students, or more accurately, their parents. This is far from exhaustive. As the city expands at its edge, the auto dealers, the hospitals, even school districts can find themselves with land they no longer want but from which they wish to exit at an advantage. But these interests in land and land rent are fleeting and far from the main concern of businesses or organizations whose major raison d'être lies elsewhere. Participation in a development project may lead to the acquisition of expertise and a longer term interest in land development, so that a firm, perhaps quite gradually, shifts its line of business, but it isn't necessary. The enduring actors in the development politics of the city, the city as a growth machine, are the developers and the land development companies.

ACCUMULATION AND THE GROWTH COALITION

One of the attractive features of Molotch's conceptualization of the city as a growth machine was the emphasis he placed on the competition between what he called 'land based elites.' They competed for the infrastructural and regulatory favors of the state; and this with the goal of

attracting in the development that would spur population growth and all the opportunities for increasing the value of their land and the rent-earning potential that would come in the wake of that growth. As his sub-title signified, he was interested in what he called 'the political economy of place.' A focus on urban politics through the prism of political economy was path-breaking. The emphasis on competition *between* places then opened up new questions. It also resonated because that is indeed how the local development professionals themselves saw the problematic of promoting investment: a competition for the locations of firms and of those who would work for them, and shop at them. In short, a central theme of Molotch's paper was a market in locations.

This is certainly an important part of the story of urban development and its politics. Competition was an essential aspect of Molotch's argument but exactly what sort of competition? And when we turn from growth coalitions to their fundamental components, the property company and the diversity of their rent-seeking strategies, not any competition will do. Property capitals compete in terms of cost. And they compete in terms of what they have to offer. Forced out of particular lines of real estate product, they then need to look for new products that will give them an edge over the competition: think here of different generations of shopping center, retirement complexes, golf club communities, downtown hospitality areas with their bars, arenas, and restaurants; and the Palm Springs and Sun Cities of the world.

This is not the timid world of competition where firms respond to demand, drawing on a particular menu of products and technologies; in other words, the received wisdom of introductory economics courses. Rather, and to paraphrase Storper and Walker (1989), this is a world of 'strong' competition: not one of firms passively responding to what is available, to already existing technological possibilities, and waiting for the orders of clients, as in custom building, therefore, but of firms that constantly revolutionize their own conditions of production, what they produce and in anticipation of gaining *future* clients and expanding their markets.

An effect of this strong competition, and to paraphrase Marx,[6] is that the developers and property companies work at both ends at once, regulating both the supply of and demand for their various products; and just as this works in the labor market through creating an industrial reserve army, so for property capital it is a matter of what Dick Walker has called in a discussion of uneven development a 'lumpen geography of places' (1978): in this instance, abandoned housing, abandoned shopping centers, suburbs that have seen much better days. Molotch recognized the social costs of the city as a growth machine, and the dumping on the masses but not this particular form of it and the geography it assumes.

Property capital creates demand through its imagining, fashioning and realization of new products and representations, and it does it because it has to: new sorts of housing and residential development from the old grid iron pattern to the garden suburb, from houses with single-car garages to ones with two or even more, from the garden suburb to the golf course community, and then from the golf course community to ones with lakes, jogging trails, bike trails, even horse trails. One could write a similar history for office buildings and developments and indeed, with the advent of modular units, for industry too. And this is not to mention the quite massive variety of developments attuned to the life cycle, not least Del Webb's hugely innovative retirement communities or leisure complexes like Disneyworld.

[6] The reference is to the labor market and the implications of capital's tendency to create an industrial reserve army through substituting machinery for workers in short supply: "The demand for labor is not identical with increase of capital, nor is supply of labor identical with increase of the working class. It is not a case of two independent forces working on each other. *Les dés sont pipés* ('The dice are loaded'.) Capital acts on both sides at once. If its accumulation on the one hand increases the demand for labor, it increases on the other the supply of workers by 'setting them free', while at the same time the pressure of the unemployed compels those who are employed to furnish more labor, and therefore makes the supply of labor to a certain extent independent of the supply of workers" (1867: 793.)

There are also the innovative ways in which places have been imagined so as to tickle the fancy of buyers and intermediaries, all the way from major industrial corporations to the location consultants and the realtors. Local schools were discovered as a selling point for new residential developments. Cities were always sold on the basis of their accessibility characteristics and the idea of a hub city subsequent to the deregulation of the airline industry was just one; but the way in which Denver tried to sell itself, even promote the construction of a new airport, as midway between East Asia and Western Europe and so an ideal hub for international air cargo borders on genius.

Demand creation has worked whether customers have wanted it or not. Through the supply of new products it puts downward pressure on the rents generated by older ones: on the older apartment developments that don't have tennis courts, swimming pools and community houses; on the older office buildings that lack open-plan provision or off-street parking; on older types of shopping center; and last but not least on a lot of older central city housing. The result is predictable. The older shopping centers get abandoned[7] creating eyesores which can lower the value of other properties in the area. Areas of older housing get redlined. Earlier vintages of hotels are converted into accommodation for university students – if their owners are lucky. Older, inner suburbs struggle to compete for the lucrative tax-yielding land use with the newer ones. So people are pushed out to where they *can* obtain a mortgage, just as the chain stores follow the anchor stores in their search for a newer, more lucrative commercial paradise. Meanwhile in this crazy game of musical places the developers have managed to push the losses on to others, including other property developers and companies.

Rent seeking in particular urban markets gets concentrated in a few major players. This then creates new ways to reduce costs and makes possible new forms of development. The bigger the developer, the more land that can be optioned prior to embarking on a development, and then the more money that can be raised for development. Big tract housing projects allow the simulation of assembly line methods of construction. Mega mixed-use projects diffuse risk and also allow a spreading of the costs of shared infrastructure. What was impossible in terms of raising the necessary money, now becomes feasible: like constructing a lake of no mean size with its attractive shoreline properties. Magnitude allows new ways of internalizing the externalities of development that would otherwise escape to the advantage of others. It also alters the balance of power with those small local governments that prevail outside the central cities of American metropolitan areas. The mega development becomes a notch in the belt of the mayor and the local planners and a boost to tax revenues and therefore something worth fighting for and making concessions to land it.

There is a limit. While in even the most depressed of areas, property capitals will be adding so-called 'new concepts in living' and lavish new shopping centers on the periphery – to visit the suburbs surrounding Detroit can be quite misleading as to what has happened in Detroit itself – ultimately the ability of buyers to filter 'up' into the new residential areas is limited by the difficulties that they will encounter in trickling down existing properties. So the vitality of the accumulation process more generally can be a challenge: which is why property capitals are often so keen on supporting attempts to increase demand through increasing population in the way that Molotch argued. But despite their efforts to attract in new industry or whatever, to sell their markets on the back of labor through their support for lax labor law, and the pursuit of the desirable 'business climate', a lumpen geography of places is inevitable: an inevitable consequence of capital's tendency to uneven development.

It is possible that, to use Robert Goodman's (1979) evocative idea of a rotation of places, once the 'fertility' of a neighborhood for real estate investment has been restored, once the housing has been devalued, the developers will return. Some parts of the city do eventually recover. Once

[7] Every metropolitan area of any size in the US has its story to tell. For the St Louis case see Joe Huber, "The Life and Death of Great St Louis Malls" (http://nextstl.com/2012/12/life-and-death-of-great-st-louis-malls/ : last accessed July 7, 2015.)

there has been sufficient abandonment in the more central areas, once leases on commercial property have expired and industries moved out to the more expansive sites of the suburbs, then land can be assembled for newer more lucrative uses, as per Smith's (1979; 1987) rent gap theory.

LESSONS FROM WESTERN EUROPE

Harvey Molotch's 'City as a Growth Machine' made an impression on urban studies both in North American and in Western Europe. Growth coalitions, 'coalitions de croissance' and 'Wachstumkoalitionen' were looked for but they proved elusive. The sort of local politics driven by property capitals and their different ways of working with each other and with local government did not seem to have the same applicability as in the US. There were attempts to transport the idea across the Atlantic[8] but they rarely seemed to work in the way they did there (Harding 1991.)

Rather local politics has been more focused on issues of social provision like housing, schools and public transport. There was certainly a development politics but the balance of power between local governments and property capitals has been different. The same applies to that between the developers and those opposing them; something owing in part to the structure of planning and the power to appeal decisions to higher levels of the state. Some have argued for a change subsequent to the downturn in capitalist economies after the early 70s: a shift from what Harvey called the 'managerial city' to the 'entrepreneurial city.' While there has been change, I think it important not to exaggerate what has happened, and also to continue to recognize the contrasts. Cities in Western Europe are decidedly *not* growth machines in the way that Molotch has described for the US. They never were and that remains the case. To the extent that there is now an interest in local economic development it has tended to be an initiative of local government and less something advanced by property capitals and as a goal, rents have been subordinated to the creation of employment. So the questions are: Why the contrast? And what lessons might it have for understanding the Molotch's city as a growth machine?

An initial consideration is the very different structure of the American state. In its division and dispersion of formal power it is *sui generis*. Territorially this is reflected in what must be the most radical federalism in the world. The states have then intensified that fragmentation by delegating various powers and responsibilities to the local governments; and to cap it all off, the Progressives at the turn of the century then encouraged the creation of even more local governments helping to create that patchwork of municipalities that is standard for American cities. In greater detail, one should note how, first of all, local governments dispose of powers of the utmost interest to property companies; powers that they can turn to their own purposes of facilitating particular development projects so as to release a continuing stream of rents. These include:

1. The regulation of land-use: It bears emphasis that unlike the Western European case, local governments in the US are subject to very little in the way of control by higher levels of the state. There is no central coordination of plan making, no requirement for regular updating of plans, no central 'guidance', and no rights of appeal regarding particular planning decisions. Aside from judicial appeals on grounds of unconstitutionality as has been the case with plans requiring use of the right of eminent domain, and state rules on what the zoning classes are, local governments have pretty much the right to do what they want. Re-zonings *can* be challenged but only through a local referendum.
2. Annexation: Given their predilection for size, what developers find particularly attractive are the large, undeveloped acreages, under single-ownership, on the edge of the built-up area. This is what they need for so-called planned communities, for regional shopping centers and mixed-use developments with minimum hassles over land assembly. The problem is that these are usually in what

[8] As in Axford and Pinch (1994) and Bassett and Hoare (1994.)

are called 'unincorporated areas', typically lacking the water and sewerage provision, and fire service necessary for a large development. Municipalities can offer these services and are willing to, so long as the areas in question are, as the practice is called, annexed. Again, providing that state law is respected, like the necessity that the annexing municipality be able to provide the services and that the area to be annexed be contiguous to it, there is little to stop the annexation from happening. It is decided locally, usually by the county and is ease itself, rarely generating serious controversy; if anyone protests, but the county (commissioners) can claim that they have to allow it, and are, following state annexation law in so doing, then the opposition can be overridden.

3. Public works: Municipalities in the United States have the power to raise money for public works, many of which will have clear consequences for the city as a growth machine: purposes like expanding the airport or the water or sewage treatment plant; widening highways; or extending water and sewer lines into the undeveloped periphery. The money is raised by the sale of bonds. The bonds carry a rate of interest determined by various risk factors, like whether or not the city's tax base is expanding so that the bonds can be paid back: part and parcel, in other words, of what Harvey Molotch referred to as 'business climate.'
4. The ability to offer incentives to developers: These can include tax abatements: property tax forgiveness for a period of time that can be as long as twenty years. Local governments also have the power to offer tax increment financing districts which means that the property tax revenue generated by the increased value subsequent to a particular development is dedicated exclusively to the construction of public infrastructure in the immediate vicinity.

Not only do local governments have powers that can be turned to the purposes of property capitals; they also have an interest in using them. In accordance with its undeveloped welfare state and a general aversion to redistribution or what, in the US is often referred to disparagingly as, 'Robin Hood-ism', municipalities are quite unusually dependent on revenues that they raise from within their own boundaries. Major expenditures include fire and police service, water provision and sewage disposal, parks and recreation, to be funded from a mix of property, sales and, sometimes, income taxes and state grants.[9] Reliance on property taxes, and on the sales taxes that large shopping centers generate, gives local government a strong interest in development and therefore in promoting it through various incentives. This interest in development and its widely acclaimed significance for public provision – loudly proclaimed by developers as they seek the necessary decisions – then becomes something from which local politicos derive kudos from the electorate, or at least think that they do; so many notches on the belt to be registered by photos of city mayors, arms crossed, posing in front of new office towers.

The contrast with the West European case is striking. The sort of opportunity structure that so enables the developers in the American instance is hard to find. Provision for redistribution of national revenues buffers local governments from the challenges incurred by a deteriorating economic base. Planning is subject to some sort of higher level coordination, usually central government, or a mix of central and regional level governments, as in the German federation. This coordination is there to ensure compatibility of local plans with regional and national priorities. Decisions of lower level authorities can then be appealed to higher levels of the state. If a local government, possibly pushed by developers, wishes to expand its boundaries, this is a far more drawn out and complex process than in the American case: not at all one that generates the sort of quick-fire response that American developers expect so that they can take advantage of a particularly favorable, but perhaps rapidly

[9] But not primary and secondary education which is a responsibility of separate school boards with their own tax bases – usually the local property tax – and not of local government.

changing, conjuncture of forces. And finally, there are limits on the sorts of incentives that local governments can provide in any attempt, should they so feel the desire, to promote particular sorts of development. These are limits imposed both nationally, where national governments tend to retain this prerogative, and by the EU.

The territorial structure of the state aside, the United States is different in yet other ways that have worked to the advantage of the urban growth machine. While the American state provides a useful opportunity structure, development proposals can generate intense local resistance: residents don't take kindly to plans to build a large regional shopping center just over their backyard fences; while proposals to re-zone land for a large residential development can spark off not just opposition on the ground of what that means for local highway use, but also what it implies for the need to construct new schools and so for property tax bills. Development is controversial and the opposition needs to be managed, defused, or brought to a halt by orchestrating a broader coalition of forces that can be persuaded to support the proposal.

As Harvey Molotch recognized in his 1976 paper, a common ploy is to give development issues some territorial slant: to argue for a wider territorial interest shared, by the developers themselves, if only implicitly, and by those who are supposed to gain from the proposed development's, typically exaggerated and overblown, trickle-down effects – the tax revenues to be produced for the wider jurisdiction, the increases in home values that residents can expect, and in some cases, jobs. The struggle can then get defined as a territorial one: one group of residents keen to increase the flow of revenues into the local school district, working to uphold its 'reputation'; and another acting out of its own selfish interest, and disregarding the concessions that the developer has promised to make.

It helps that residents are all too willing to fall into this sort of territorial trap. And it bears emphasis that it *is* a trap since there are other ways of making sense of what is happening: a sense that would start with the devastation that the growth machine leaves behind in metropolitan areas and the waste of the scorched earth effect; the subsidies and the taxes of the masses that make this possible; and the manner in which, as development expands into new areas and mobilizes new public authorities on its behalf – townships, villages, some very small cities – with its enticements of tax revenues, not to mention payoffs for the landowners who typically populate those authorities, it aggravates the severe inequalities that are so glaringly apparent in American metropolitan areas: the differences in real income that David Harvey (1973: Chapter 2) discussed so many years ago.

If this counter-vision, drawing on notions of class, is to be found, it is a distinctly minority one. Territory tends to trump it. Part of the reason, as Ken Newton (1978) once observed, and it still applies, is that jurisdictional boundaries give social stratification a sharp spatial form, and this means that there is no common political forum within which these issues can be debated, arbitrated, and the impacts of the development process on the less affluent fractions of the population mitigated. In other words, the same state structure discussed above, works in other ways too that advantage the developers and property companies, though this has to be qualified since the issues can be and sometimes are, pushed up to the state level.

Also important is the long term balance of political forces in the US and how well or how poorly those political forces represent respective class interests. The relative weakness of the American labor movement and the absence of a social democratic party is well known. Less so is the fact that the country also lacks a conservative party of the West European sort. The conserving focus of the Republican Party is more singular and single-minded than that of the Christian Democrats, the Gaullist tradition in France or even, and despite Thatcher, the British Conservative Party. This owes in large part to the very different historical contexts within which the parties emerged. The dedication to defending and then widening, the market and the capitalist way is counterbalanced in the West European case by different concerns: notably notions of tradition that can be referred, often as matters of convenience, to some pre-capitalist past and seen as threatened by those self-same markets and the

modernity that they herald. In the US, on the other hand, there has been no tradition to be wistful for and to defend and take advantage of.

In Western Europe the capitalist world of formal equality, of individualism, of the amorality of the market and of a supposed freedom of choice has had to contend with deeply embedded notions of hierarchy, of community and of principle. In various, class-specific ways these have been drawn on to impart a more widely held skepticism towards capitalism and the claims of its advocates, and a greater faith in the countervailing powers of the state, neo-liberalism notwithstanding; something strengthened by national antipathies to American hegemony in the world. It has also meant stronger labor movements and a commitment to a shared uplift of the masses as in the defense and advancement of the welfare state; which is in contrast to the lure of individual upward mobility and the search for something akin to the American dream. Capital is much more likely to be viewed with at least suspicion when it comes to calling for some sort of concession on the part of labor.

The result is that it has been somewhat easier in the US for property capitals to divide the masses along territorial lines, holding out the lures of increased property values, better resourced schools for their children, perhaps even reduced property taxes as local government coffers swell in the wake of the new developments. There is little in the way of a counter-consciousness of the sort propagated by the traditions of the labor movement: no strong voice in favor of public as opposed to private housing development, or for the compact city which might put a dent in developer plans that entail never ending sprawl, and a greater willingness to be persuaded of what new developments will deliver for the population at large. Rather the balance of political forces is altogether different, allowing the formation of the sort of territorially competitive terrain that property capitals prefer.

In Western Europe the freedom of action of developers is quite other. The idea of the 'good geography' as a suitable goal of public policy has a constituency that is impossible to imagine in the US. It has in turn entailed a planning mechanism that is much less flexible than in the American instance and more restrictive for property capitals, even while, through the scarcities created, it provides them with lots of scope for the appropriation of rent. Rather planning decisions should be, and to a certain degree are, subordinated to some national vision of a country's geography: a vision that puts things in their 'proper' places, redistributes employment, conserves landscapes, avoids wasteful duplication, and limits sprawl while upholding the virtues of the compact city.

This contrast needs to be placed in the context of the way in which class relations have intersected with continuing struggles between tradition and modernity, even while that 'tradition' has been reworked and even invented *ab initio*. A central theme in Western European ideas of the good geography has been the virtues of the rural. Anti-urbanism, even anti-cosmopolitanism in the German case, has a history hard to find in the US. Rather the evils of the city, including the labor movement, but also disease and pollution, real and metaphoric, were counter-posed to a rural world where traditional solidarities, uniting people of different social position, still held sway along with a closer relation to what was seen as 'nature.' Going back to the beginning of the twentieth century, the big city was anathema; something whose growth should be curtailed in favor of smaller towns, including the creation of new ones. On the other hand, the countryside was to be protected through the creation of conservation zones and, in the British case, greenbelts, in the Netherlands, a 'green heart' and in Denmark and Sweden, 'green fingers.' This restriction on the lateral growth of the city has then met up with the support of the labor movement for a more compact one: a city where public transport can remain viable and the needs of the poor and the aged provided for.

This is hard to imagine outside of societies in which it is still believed that public policy can be the object of principles; principles that will be, it is hoped, hard and fast and immutable in the face of the values of the market.[10] The balance between

[10] Elkin (1974), the American political scientist, was mystified by this when he came to study local

the individual and society, between the market and the state is defined differently. The rights of the individual are more likely to be opposed to ideas of responsibility to others expressed through, again, principles of the public interest. Notions of the virtues of individual choice are regarded more skeptically. It is hard to imagine the defense of residential exclusion in terms of individual choice in the way it is drawn on by American developers. The sort of anti-statism common in the US and which developers take advantage of is rare; no threats of lawsuits around what is known as the 'takings clause', and no private property rights movements to give succor to those looking for untrammeled access to streams of rent. The result is that the planners in Western Europe have more scope in implementing what gets defined as 'the good geography.'

There are distinctive assumptions about proper public policy, therefore, and distinctive state structures and there is some congruence between them. For a start, we should not be surprised that the US has not shared the sorts of vision of the good geography that have been important in Western European debate about local development. The decentralized character of the American state has made both conception and implementation of such notions difficult. Many years ago Lowi pointed out how the extraordinary division of formal power that is the American state has made possible centrifugal forces that make formulating any coherent idea of the public interest extremely difficult. Rather the interest group process is now institutionalized. The interest group has become virtuous and government reduced to the same status: *primum inter pares*, and sometimes not even 'primum.'. The weakness of the labor movement, weakened in turn by that same territorial structure that makes it so easy for business to play one group of workers off against another has reinforced this tendency. In Western Europe, on the other hand, labor movements spearheaded the drive for the welfare state, including the extension of its redistributionist principles to the territorial.

The US has not lacked attempts to redistribute employment geographically and to promote the development of poorer areas of American cities but they founder on the same centrifugal forces licensed by the territorial structure of the state. A case in point are the initiatives of the Economic Development Administration (EDA), a federal agency accountable to the Secretary for Commerce (Barnekov, Boyle and Rich 1989). From 1965 on the EDA was required to promote the development of areas of persistent unemployment. This was to be accomplished through grants and loans for physical infrastructure, job training programs and long term, low interest loans to firms willing to establish plants in the eligible areas. But the ultimate goal of alleviating pockets of severe economic distress was compromised by the way in which Congress manipulated the various criteria as to what constituted eligibility for these funds. The desire of individual Congresspersons, of course, was that their own constituencies would be included (Barnekov, Boyle and Rich 1989: 111.) The result was that about 80% of the US population found themselves in the areas eligible.[11] The Model Cities program met a similar fate (Ellwood and Patashnik 1993.)

Another way of looking at this is the common aversion in the US to the state 'picking winners and losers', whether that be particular firms, sectors of the economy or regions. According to this view the state cannot possibly be equipped to do this. It lacks the information, it gets tied down in red tape, and accords monopolies in a country where competition is king, or at least it is in the

government in England in the early 1970s and, while there has been some erosion of this over the years as commodification of all aspects of social life has bit deeper, he would still be puzzled.

[7]Barnekov et al. quote from Grasso: "There is little evidence that the agency's programs have succeeded in promoting the economic development of chronically depressed areas. Rather, the agency seems to have concentrated on achieving the goal of a wide geographic dispersal of aid, with a disproportionate share of the funds channeled to States with disproportionate representation in Congress" (1989, 79). Arnold (1981) provides an excellent discussion of how local influences tend to prevail and trump federal visions of how local development should proceed.

public imaginary. Much better to let the market decide and according to the choices that people make. As we have seen the state is organized so as to compromise any attempt it might make to exercise some initiative of its own. As a result of the dispersion of formal power the state itself functions much like a market, as in the incessant selling of locations by local and state governments and the subsequent honing of business climates, much as Molotch saw. The same applies to the way in which metropolitan fragmentation allows residents to pick and choose; something celebrated by Tiebout in his famous paper on people voting with their feet. But it is, of course, a fragmentation that works for some and not for others, as indeed in the case of those local governments created by retirement communities that exclude children and so the expense of paying for their education:[12] the very antithesis, therefore, of what in Western Europe would be regarded as 'the good geography.'

CONCLUDING COMMENTS

Although written forty years ago, Harvey Molotch's 'City as a Growth Machine' continues to be widely cited. It was a path-breaking contribution, shedding new light on urban politics in the United States and opening up a new research agenda. He placed interests in land at the heart of his argument: how those interests got represented in local government and how local government then became a vehicle for promoting the growth of the area as a whole and hence the enhancement of land rents. That this might generate conflict with the rest of the urban population was recognized and he saw the role that a local ideology, emphasizing pride in the locality, might play in mitigating opposition. There was also an attention to scalar questions: how success in bringing new investments into a city might then be followed by conflict among land owners and land related interests over the precise location of that investment and the externalities that it might generate. These claims would then be elaborated on and developed further in the book *Urban Fortunes* that he wrote with John Logan.

Nevertheless, like all seminal contributions, the argument does raise questions that, if responded to, could provide it with greater leverage. I have raised three of these questions in this paper. First of all, as far as the major protagonists of Molotch's urban politics are concerned, attention might usefully be turned away from land owners and land related interests to property capitals: developers, property companies, land companies. These are an oddly neglected feature of work on urban political economy but central to American urban politics; the real movers and shakers. They do indeed initiate and support growth agendas for the city as a whole but a fundamental interest in land rent means that they work in other ways too: more local sorts of coalition consistent with Molotch's view of struggles between different groups of land owners but also networks of relations with others that are hard to reduce to the idea of a growth coalition in the sense that he gave the term. And they cannibalize each other in their search for new streams of land rent.

For property capitals this is not a matter of choice. This is where their expertise lies; a unique, non-portable resource built up over the years. They lay out money for land and that land then has to sprout dollar signs. They sell shopping centers, apartment complexes on in order to raise the money for development on a still larger scale. Competition is a matter of survival but not any sort of competition will do. Rather it is a competition that constantly seeks out new forms of development that can give an edge over older vintages, and often on a scale that allows the internalization of externalities as well as the creation of altogether new ones. This drives out not just competing developers but also the hapless owners of older varieties of real estate development, creating what I have called the scorched earth effect in American cities.

[12] As in this wonderful piece of publicity from the website for Sun City West just outside Phoenix: "Sun City West is unincorporated and Maricopa County maintains the streets, provides police protection and other services. The cost of these is a part of the property tax paid by each homeowner. Local school taxes can often be a major part of property taxes but most of Sun City West was removed years ago from the surrounding school district. As a result, a typical property tax on a $395,000 home are (sic.) less than $1500 annually." See http://suncitywest.org/feestaxes.htm (last accessed 7/1/2016.)

But emphatically American cities. Attempts have been made to transfer Molotch's conception of the city as a growth machine across the Atlantic but not with a great deal of success, suggesting that the conditions that make it useful are very American ones. For a start, if developers had been asked what they would like in a state form, the American one could hardly be bettered, conferring as it does on local government an impressive array of powers to facilitate land development, as well as giving those same local governments a stake in that same development. State form in Western Europe has been far less conducive to local governments entering into a productive division of labor with developers or even sharing an interest in land rent to begin with.

More fundamental, though, are disparate class relations. In Western Europe, stronger political representation of the labor movement along with a conservatism alien to the US have combined to create the humus for a policy interest in 'the good geography': an odd mix of welfare state ideals, paternalism, a lingering suspicion of capitalism's amorality and its individualism, all transposed onto a spatial plane. In the US there have been no such encumbrances to the rule of the market and a suspicion not of capitalism's pretensions but of the state: something reflected in the highly decentralized form of the American state and the way it can function as an effective support of local development initiatives but which is entirely antithetical to debate about the good geography, let alone its implementation.

In short, the implications of Harvey Molotch's 'City as a Growth Machine' remain a guidepost for research in urban studies raising new questions in dialectical fashion that he can hardly have anticipated. Hitherto much of this has taken the form of internal critique. This paper has tried to proceed from a position outside the mainstream and will hopefully raise more questions and stimulate further research.

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